

MARKETING MATTERS

Official Publication of the Kentucky Department of Agriculture's Office for Agriculture Marketing and Product Promotion

Volume No. 5 Issue No. 2

Released May 14, 2004

Published Quarterly

Young Farmer Profits With Produce

By Bill Holleran

Chad Lauer left Rockport, Ind., to study horticulture at the University of Kentucky. In 1995, during his last year at UK, he developed a partnership with Darryll Sloane, who was growing vegetables and selling them to a Lexington wholesaler. They now raise 40 acres of vegetable crops on land they lease in western Fayette County. Lauer also serves on the Fayette County Farm Bureau board of directors and chairs its horticulture committee.

The pair utilizes conventional tillage, plastic mulch, and double-crop systems to maximize their yields on a variety of crops, including squash, red and green cabbage, broccoli, kale, cucumber, peppers, eggplant, and tomatoes. Plants started in their greenhouses are transplanted using a water-wheel setter through plastic mulch and are grown on drip-irrigation. Cole crops are transplanted with a conventional setter on bare ground and are not irrigated.

"When most people think about starting this kind of business, they focus on the production side, but they need to find their market first, find out what their buyers want, and then address production," said Lauer. Lauer also urges farmers to start small and develop relationships with buyers



that are based on trust and loyalty. Lauer suggests farmers just getting started should look at farmers' markets and produce co-ops as potential avenues to sell their crops, and to get a copy of UK's Vegetable Production Guide for Commercial Growers (ID-36) and follow the recommendations.

One of the biggest variables with growing vegetables commercially is daily market price fluctuation, which is why it's hard to put an expected dollar return per acre on any particular crop. Unlike tobacco or cattle, it's hard to know how much your crop will be worth on sale day, and prices may fluctuate significantly during the growing season. "If everyone started selling produce, the market would be flooded, and prices would suffer drastically since there is no price-support sys-

tem," Lauer said. Lauer also pointed out that you won't get rich raising produce and that **"vegetable production will not replace tobacco by itself."** Vegetable production is also very labor-intensive. Lauer manages up to six workers through the growing season who pick squash every day when it begins to ripen.

Lauer admitted most of his success has come from the relationship he and Sloane have developed with the wholesaler that buys their entire crop each year. This relationship hinges on trust, which is why Lauer doesn't look for additional buyers and doesn't need to. Lauer hopes to expand the operation to include some additional varieties and plans to continue farming in the Lexington area. Lauer is a great example of how young farmers can make a living doing what they love despite what others may say is impossible.



Chad Lauer showing his squash plants.

CPH-45 2003 Year in Review

By Tim Dietrich

The past year in the cattle business has been quite interesting, and that has reflected in our Certified Preconditioned for Health 45 days weaned feeder cattle sales.

Since June 2003 there have been 27 CPH-45 sales and just under 24,000 head of cattle marketed through them. These total numbers are off from the past couple of years, but I think there is a good reason. In my opinion, prices were so strong early last fall that a lot of producers cashed in. Fat cattle were bringing \$1.10-plus per pound, and the feeder and calf markets were wild, so if the prices a producer got for his cattle were profitable and they were satisfied, they sold their cattle early.

Last year we saw the fat cattle run start in late spring. Then Canada discovered its first case of BSE, so there were no more cattle coming across the border, and the U.S. fat cattle market didn't see its normal seasonal early summer slump. Prices remained strong through the summer into fall,



got really wild in October and November, and eased back a bit toward the end of the year. On Dec. 23, all of us in the industry got a reality check with the confirmation of the first case of BSE in the United States. Fortunately, it was during the holidays when most cattle movement was shut down, which gave everyone time to catch their breath and try to figure out what the fallout would be.

For the first week or two in 2004 the cattle runs were light as people waited to see how BSE would affect the market. The first couple of CPH-45 sales scheduled for 2004 were canceled since cattlemen were cautious about re-entering the market. By the

third week in January the market had re-established itself to a level that completely amazed me. At that point it became evident the only true fallout from this discovery was the immediate loss of our export market; there was barely a noticeable difference in beef consumption from American consumers.

The CPH-45 sales came right back with the rest of the market and have been strong. The average price for 6-weight steers in all the sales since last June is right at \$7.75 per cwt better than the weekly state averages. That is \$46 per head added value just by selling through the CPH-45 program, not to mention the advantage received from putting extra gain on the cattle.

It has definitely been an interesting year, and as cattlemen we should be quite pleased with the confidence the American public has in our product. The CPH-45 program is strong and will continue to grow provided we continue to have strong producer support and input.

New Programs Will Reward Youth Exhibitors and Producers

By Jeff Zinner

The Division of Show and Fair Promotion is proud to announce two new programs that will help reward youth livestock exhibitors and producers.

The first new program is the Kentucky Bred Program. This program encourages youth exhibitors to buy their livestock projects from Kentucky livestock producers. This program will provide additional premiums each time the animal is shown at a livestock show or expo conducted by the Division of Show and Fair Promotion. To be eligible for this pro-

gram, exhibitors must complete a verification form with signatures from the exhibitor, breeder and 4H agent or vocational agriculture teacher. Any animal that is born on Kentucky soil is eligible for the program.

The other new program is the Kentucky Junior Livestock Points Program. This program was developed to add incentive for exhibitors to participate in shows conducted by the Kentucky Department of Agriculture. Throughout the show season, exhibitors will be able to accumulate points according to how well the animal places and how often the animal is shown. This Kentucky Junior Live-

stock Points Program will recognize and reward outstanding youth exhibitors, outstanding animals, and the top producers within each species who excel during the show season.

These new programs will add value and increase demand for show animals from Kentucky farmers. These programs have already generated lots of excitement from livestock exhibitors and producers around the state. These programs should help improve the quality of livestock produced in Kentucky. For more information, contact me at the Division of Show and Fair Promotion at (502) 564-4983.

USDA-FNS awards FMNP Grants

By Anna Lucio

The United States Department of Agriculture Food and Nutrition Service (USDA-FNS) announced this spring that grant funds again will be available for the Kentucky Department of Agriculture to conduct Women, Infants and Children (WIC) and Senior Farmers' Market Nutrition Programs (FMNP).

For WIC-FMNP, KDA received \$230,000. This money is matched by \$98,571 in state funds and covers money for coupons and administrative costs to run the program. Local health departments will issue coupons in 44 counties.

For Senior FMNP, KDA received \$276,302. The senior grant is strictly for coupon money and based on 2003 spending. The department pays all costs to administer this program with state funds.

The WIC and Senior Farmers' Market Nutrition Pro-

grams provide fresh nutritious fruits, vegetables and herbs from farmers' markets to low-income women, infants, children, and seniors who are nutritionally at-risk.

In addition, the program expands awareness and sales of fresh fruit, vegetables and herbs at farmers' markets.

Local agencies distribute coupons to qualified participants in counties served by the FMNPs. Participants then use the coupons at approved farmers' markets for the purchase of fresh fruits, vegetables and herbs. Farmers redeem the coupons through KDA. In 2003, Kentucky farmers redeemed more than \$444,000 in coupons for both programs.

For the 2004 FMNP service areas, visit www.kyagr.com and look under farmers' markets. For more information about WIC or FMNP programs, call me at (502) 564-4983.

Kentucky Foods Showcased at Governor's Derby Breakfast

By Elizabeth Smith

The Kentucky Department of Agriculture sponsored two tents of Kentucky food companies and their products at the 2004 Governor's Derby Breakfast. This annual event offers a huge opportunity for Kentucky companies to showcase and sell their products to the public.

The Breakfast was attended by thousands on May 1, when breakfast was served from 7-11 a.m. The Governor's Derby Breakfast returned to the Capitol grounds this year after being staged in downtown

Frankfort for the last two years. In addition to the Breakfast tent, Derby guests enjoyed many other activities such as hot air balloon rides, an antique car display, craft booths, and the sampling and sale of Kentucky food products.

Twenty Kentucky food companies sampled and sold their products under the Kentucky Department of Agriculture's tents, where they offered honey, beer cheese, pickles, country ham, popcorn, breads, marinades, jams and jellies, candies, gourmet sauces and other products.

Kentucky Fish Displayed At International Seafood Show

By Angela Caporelli

For the first time ever, a Kentucky aquaculture-related fish company was present at the International Boston Seafood Show March 14-17.

Shuckman's Fish Company and Smokery of Louisville partnered with the Multi-Vac vacuum packing machine company to showcase their gourmet smoked fish products.

According to Lewis Shuckman, whose caviar was chosen a top pick in the Live Your Best Life section of Oprah Winfrey magazine's April issue, the show was unbelievable and he hopes to attend again next year. Shuckman's uses Kentucky bourbon and hick-

ory to smoke bass, catfish, trout and spoonbill, and has achieved national acclaim with its hand-packed caviar. Shuckman targets high-end restaurants, hotels, bars, and caterers in the Louisville area.

The IBSS is the largest trade show in North America with over 700 booths and 4,000 companies from all over the world, and is all about seafood. Many states sponsor booths for the show for small companies and producers that could not otherwise afford their own booth space. Kelly Ludwig, the Shuckman's Company and I will be looking into SUSTA funds to support next year's show.

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Publications are sent in Adobe Acrobat format that anyone can

download and print from their home or business computer.

If you have been receiving Marketing Matters or the Weekly Livestock and Grain Report in the mail and have an e-mail address, contact bill.holleran@kyagr.com and we will send it electronically.

Please help us eliminate spending and save a few trees in the process.

Contest Encourages “Kentucky Proud” Marketing

The Kentucky Department of Agriculture is offering a \$1,000 top prize for the nursery and garden center with the best Kentucky Proud display. The second-place center will receive \$550, and the third-place competitor will receive \$300.

Nursery and garden centers interested in participating may go to www.kyproud.com and download a contest application. The completed application must be faxed to (502) 564-0303 or mailed to Hope Crain, 100 Fair Oaks Lane, 5th Floor, Frankfort, KY 40601.

Applicants will receive a free Kentucky Proud banner and signage to include in their displays. Participants must showcase an all-Kentucky display for at least 10 consecutive days in May using the materials provided. They must submit up to six pictures of their display with an explanation of what they did. Contestants also should list the items promoted and the greenhouse, nursery or business they came from. Participants should mention customer responses and/or buying preferences for Kentucky Proud



**Last years winning entry submitted by
Lee's Garden Center of Hodgenville, Ky.**

products. Pictures and other submissions must be mailed to Hope Crain by June 4.

The Department sponsored a similar contest in 2003 to encourage retailers to promote Kentucky-produced

items with the Kentucky Fresh and Kentucky Proud logos. The logos have been consolidated into a single Kentucky Proud logo, adding color but retaining the state bird as the focal point. Agriculture Commissioner Richie Farmer has committed to maintaining the new design throughout his administration. For more information on the nursery and garden center contest, call Hope Crain at (502) 564-0290, ext. 253.



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Kentucky Department of Agriculture

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